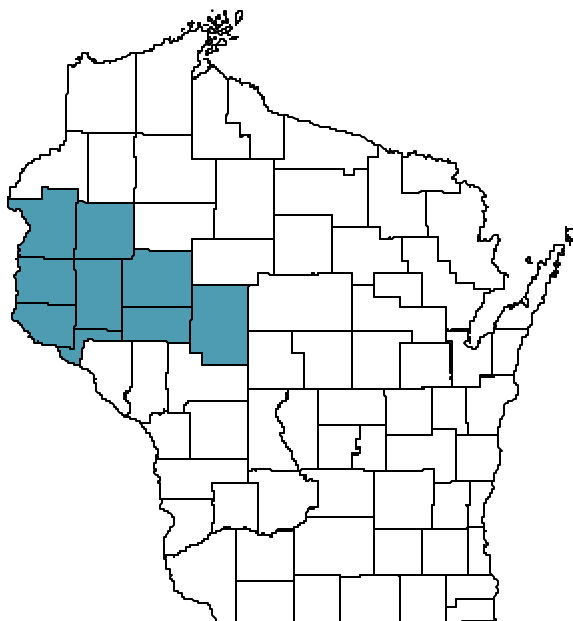


# Workforce Development Area Profile

## West Central Wisconsin

Barron, Chippewa, Clark, Dunn, Eau Claire, Pepin,  
Pierce, Polk, and St. Croix Counties



The labor market is a constant ebb and flow of supply and demand. Too little demand for workers creates too much supply and unemployment increases. But too little supply of workers means job vacancies and lack of employment growth.

Every Workforce Development Area in the state should anticipate a tight labor supply condition by the end of the next decade. Planners in each area must understand the unique set of employment characteristics in their region to develop a strategy to meet a future where demand will exceed supply.

Beverly Gehrke  
Regional Labor Market Analyst  
715.634.5289  
beverly.gehrke@dwd.state.wi.us



State of Wisconsin  
Department of Workforce Development

January 2003



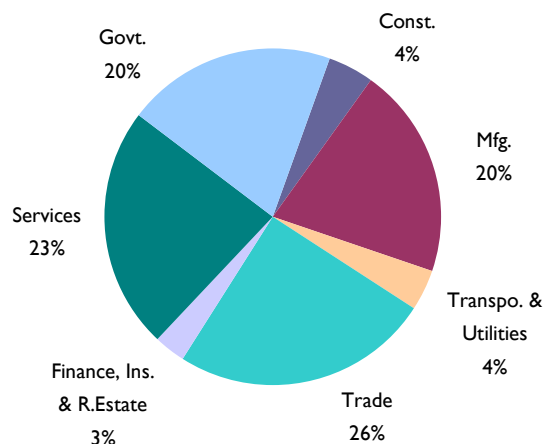
## ~ The Demand for Workers ~

### West Central Wisconsin Employment

Employment and the demand for workers in West Central Wisconsin are defined by the types of jobs created by local employers. Those employers, in turn, are defined by the product or service they produce. At least that's the way it has been for the last seventy years. In 2003 the industry coding system for employers, used to publish employment estimates for states, metropolitan areas and counties, will change from Standard Industry Classifications (SIC) to the North American Industry Classification System (NAICS). The tables and graphs in this publication will be the last look at industry employment using the old, and familiar, system.

From 1996 to 2001 the number of jobs with employers located in the nine-county region of West Central Wisconsin increased 12.1 percent from 158,645 to 177,770. The largest numeric increase in jobs occurred from employers in the services industry division, even though the greatest percent change (33%) occurred in the construction industry. Many of the jobs in construction involved home building and renovation; and workers in the region have been stretched to meet the demands created by the influx of new residents. During the five-year period

#### West Central Wisconsin Industry Distribution: 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

roughly 2,000 construction jobs were added to the local economy although most of those jobs were added prior to 2001. In 2001, the number of construction jobs in West Central Wisconsin was 6,090.

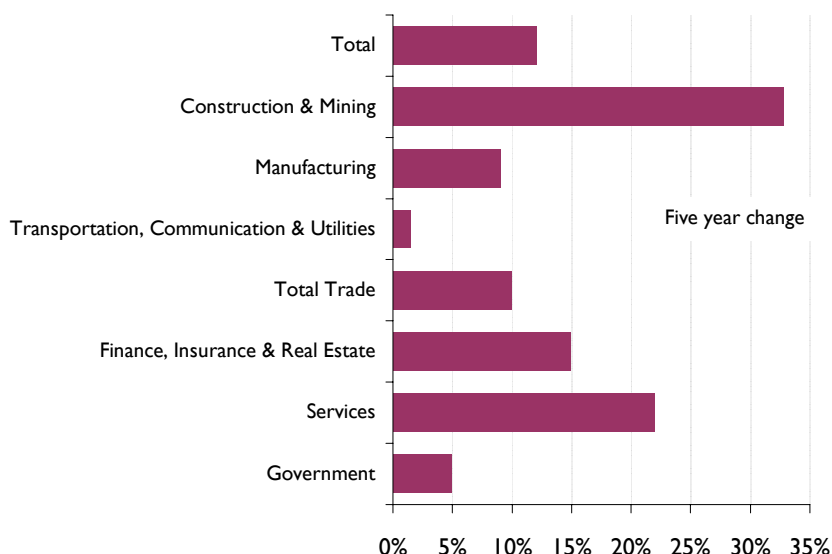
The greatest demand for workers, however, occurred from the largest industry division, services. From 1996 to 2001, 15,030 jobs were created by employers and total employment of 42,250 in the services industry in 2001 set a new high. The industry is large because it includes a wide variety of employers (this will change under NAICS). The largest group of services industry employers, health care providers, created most of the new jobs in the last five years. The division also includes a myriad of business services from accounting to telemarketing and temporary help agencies. It also includes resorts and motels and auto repair shops.

The second largest numeric increase in jobs was from employers in the second largest industry division, trade. In 2001 there were 6,400 jobs in wholesale trade and 38,640 in retail trade. Retail trade employers, most of them selling food either in grocery stores or in restaurants, added over 9,840 jobs in the five-year period.

(Continued on page 2)

#### West Central Wisconsin

##### Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

Manufacturing employers, in spite of cut-backs that started in 1999, added over 8,500 jobs in the five-year period. That greatly exceeded the decline of 2.2 percent in state manufacturing jobs. One in four of those jobs in West Central Wisconsin are with producers of industrial equipment and another 16 percent are with food products manufacturers. Some of the largest manufacturers in the region are from these two industries. Jenny-O Turkey Store, in Barron, is the region's largest manufacturer, and as the name suggest, processes turkey.

One other industry division in the region, government, provides 20 percent of the jobs in the region. Govern-

ment employment of 32,400 in 2001 included jobs with federal, state, county, city and town governments, local school districts, three state university campuses and one tribal operated casino. Of the 1,520 government jobs added from 1996 to 2001 over 14 percent were with state government and 77 percent with local government.

Monthly employment estimates in 2002 used SIC codes. But, when the estimates are revised in 2003, the revisions will be published only in NAICS. Initially, there will only be one year of historic data for comparison, and because the changes are so dramatic, there is no easy conversion from SIC to NAICS.

### What is NAICS and how is it different?

| SIC  | SIC divisions | NAICS* sectors | NAICS*   |
|--|---------------|----------------|--|
| Agriculture, Forestry, and Fishing           | 01-09         | 11             | Agriculture, Forestry, Fishing & Hunting       |
| Mining                                       | 10-14         | 21             | Mining   |
| Construction                                 | 5-17          | 22             | Utilities                                      |
| Manufacturing                                | 20-39         | 23             | Construction                                   |
| Transportation, Communication, and Utilities | 40-49         | 31-33          | Manufacturing                                  |
| Wholesale Trade                              | 50-51         | 42             | Wholesale trade                                |
| Retail Trade                                 | 52-59         | 44-45          | Retail trade                                   |
| Finance, Insurance, and Real Estate          | 60-67         | 48-49          | Transportation & Warehousing                   |
| Services                                     | 70-89         | 51             | Information                                    |
| Public Administration                        | 91-97         | 52             | Finance & Insurance                            |
|  |               | 53             | Real Estate, Rental & Leasing                  |
|  |               | 54             | Professional, Scientific & Technical Services  |
|  |               | 55             | Management of Companies & Enterprises          |
|  |               | 56             | Admin. Support, Waste Mgmt. & Remediation Srv. |
|  |               | 61             | Education services                             |
|  |               | 62             | Health care & Social assistance                |
|  |               | 71             | Arts, Entertainment & Recreation               |
|  |               | 72             | Accommodation & Food Services                  |
|  |               | 81             | Other services (except Public Administration)  |
|  |               | 92             | Public Administration                          |

\*North American Industry Classification System

NAICS, North American Industry Classification System, uses the same payroll reports completed by employers under the existing SIC (Standard Industrial Classification) system but classifies employers (employment and payroll) into more sectors. And, as the name suggests, will be used by Canada, Mexico and the United States. Unlike SIC, which was based on **what** was produced, NAICS is designed to focus on **how** products and services are created. Another major change occurs with wholesale and retail trade where NAICS transitions the focus to what the establishment **does** rather than **to whom** it sells. NAICS also creates new sectors for some of the old retail trade industry groups, ie: eating and drinking estab-

lishments move to accommodation and food services.

NAICS is not an update of SIC but a completely new system and will provide a better look at where people work and what industries are growing. Because it is a completely new system creates problems in reconstructing time series data. For instance, employment in corporate offices of manufacturers and other industries will be moved to the new management of companies sector. Since employers have never been asked to provide this detail before, constructing a time series will be based on imputed estimates. Publishing and printing will be split between the new information sector and manufacturing.

(Continued on page 3)

Remember, the focus of NAICS is **how** products are created. Newspapers, part of printing and publishing, disseminate information and will be moved to the new NAICS information sector. Printers, on-the-other-hand, process images to a medium (such as paper) and will remain in manufacturing. There were roughly 1,700 jobs classified under printing and publishing in 2001.

The changes in manufacturing are minor compared with the changes in retail trade and services. Eight new sectors were created in NAICS for many of the old retail and services SIC codes. But again, the new sectors are not merely new names for old codes. For instance, the new sector of accommodation and food services includes not only restaurant (retail trade) and hotel, motel and resort (services) employers but also some retail bakeries, snack trucks and food caterers, all from different SICs. Roughly 12,200 jobs with eating and drinking establishments will be reassigned from retail trade into this new sector.

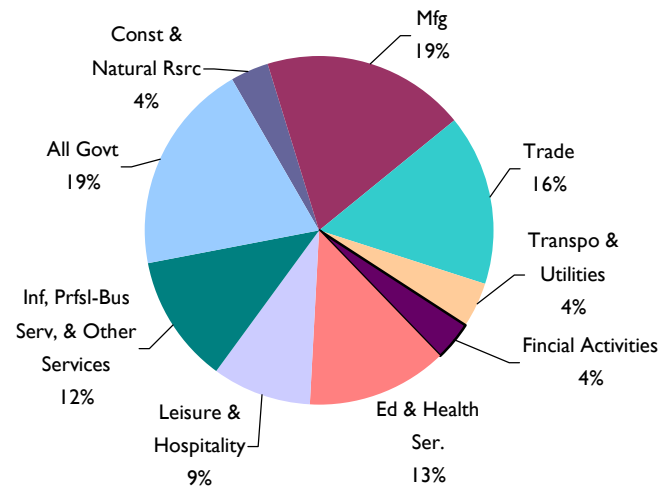
The transition from SIC to NAICS began in 1997 with the Economic Census. However, the monthly Current Employment Statistics (CES) program, responsible for the monthly nonfarm wage and salary employment tables for counties, will inaugurate NAICS in 2003. During the first year of the conversion only 2002 and 2003 employment estimates will be produced for counties while state and MSA estimates will be revised back to 1990.

Employment estimates for counties will not be produced for each of the new 19 sectors. In many counties the sectors will be too small to produce reliable estimates. There will be combinations, but hopefully, those combinations will provide more insight than the old SIC groups. The graph on this page includes the groups that will be used for monthly employment estimates for counties. The graph is based on March 2002 payroll data and initial benchmark editing. The benchmark process includes adding employment not covered by the Wisconsin Unemployment Insurance law such as jobs with parochial schools, churches, work-study and work experience programs, and railroads.

Because of the new arts, entertainment & recreation and accommodation & food services sectors NAICS estimates will provide some insight to employment changes in the tourism industry. Employers from the new sectors are included in the leisure and hospitality group. In West Central Wisconsin employers in the group provide roughly nine percent of all jobs (16,100) in 2002.

Another new group, education & health, tracks employment changes primarily in health care and social assistance services since education here includes only private institutions. In March, 2002, employers in this group provided 13 percent of the jobs, roughly 22,500, in the re-

### West Central Wisconsin NAICS Industry Distribution: 2002



Source: DWD, Labor Market Information Section, ES-202, Jan. 2003

gion. This will be an important group to watch since jobs in health care are among the fastest growing in the country and region.

Another new conglomerate, the information, professional and business services and other services group was formed to include new NAICS sectors that have fewer jobs. It is as large as the leisure and hospitality group and and many of the new-economy jobs are found with employers in information and professional services, it is a group to watch. This group is also larger statewide than it is in the region because more job opportunities for information and business professionals exist in metropolitan areas than in rural areas. Statewide, over 15 percent of the jobs are in this group.

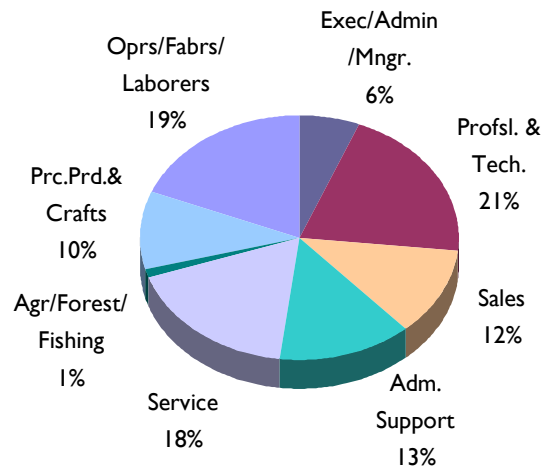
The financial activities group, with only four percent of the region's jobs, also has a lower share than in the state. Employers in financial activities, especially those with corporate offices, are a good source of professional jobs. In the West Central region, however, many of the jobs in financial activities are clerical.

The region has a higher share of jobs in government (19%) compared with the state (16%). One of the reasons is that government in the region includes a higher concentration of universities. With universities comes a greater demand for teachers, however.

You begin to see that the types of industry in an area determines the kinds of occupations needed to fill those jobs. The occupational mix of jobs with employers will not change even though those employers may now be grouped in new industry sectors. For instance, nurses will still work for health care providers and as those employ-

(Continued on page 4)

## West Central Wisconsin Occupations in 2008



Source: WI DWD, Bureau of Workforce Information, 2001

ers grow so will the demand for nurses.

The occupation projections for West Central Wisconsin were completed in 2001 and are still a good indicator of trends in the demand for workers in the area. An understanding of the occupational needs of an area begins with a good understanding of the industries and the occupations that are employed by those industries. Some of those industries, like schools and restaurants, are common in nearly every community in the region and many of the occupations in these industries, teachers and waiters, are generally known to everyone.

The information about occupations in industries comes from an annual survey of businesses coordinated by the US Bureau of Labor Statistics. The results of that survey, summarizing the distribution of occupations by group in West Central Wisconsin, appear in the graph on the left. The table below is a list of the 25 occupations projected

(Continued on page 5)

| Occupations with the Largest Number of Annual Openings Due to Growth and Separations          |                     |                   |                              |                |          |   |
|---|---------------------|-------------------|------------------------------|----------------|----------|---|
| WDA 8-West Central: Barron, Chippewa, Clark, Dunn, Eau Claire, Pepin, Pierce, Polk, St. Croix |                     |                   |                              |                |          |   |
| Occupational Title  | 1998-2008<br>Growth | Percent<br>Change | Est. Average Annual Openings |                |          | Education and Training<br>Typically Required(3) |
|   |                     |                   | Growth                       | Separations(1) | Total(2) |   |
| Cashiers  | 720                 | 13.6%             | 73                           | 230            | 303      | Short-term on-the-job-training                  |
| Retail Salespersons   | 620                 | 11.7%             | 63                           | 179            | 242      | Short-term on-the-job-training                  |
| Waiters & Waitresses  | 280                 | 8.2%              | 28                           | 188            | 216      | Short-term on-the-job-training                  |
| Office Clerks, General  | 510                 | 14.4%             | 51                           | 98             | 149      | Short-term on-the-job-training                  |
| Food Prep/Service Workers, Fast Food  | 190                 | 8.4%              | 19                           | 125            | 144      | Short-term on-the-job-training                  |
| General Mgrs & Top Execs  | 550                 | 13.0%             | 56                           | 74             | 130      | Work exp. plus bachelor's or higher dgr.        |
| Food Preparation Workers  | 100                 | 5.2%              | 10                           | 107            | 117      | Short-term on-the-job-training                  |
| Teachers, Secondary School  | 420                 | 19.0%             | 43                           | 70             | 113      | Bachelor's degree                               |
| Registered Nurses   | 490                 | 18.4%             | 48                           | 44             | 92       | Associate degree                                |
| Truck Drivers, Heavy  | 420                 | 15.2%             | 42                           | 40             | 82       | Postsecondary vocational training               |
| Assemblers & Fabricators, NEC   | 380                 | 15.7%             | 38                           | 43             | 81       | Short-term on-the-job-training                  |
| Nursing Aides/Orderlies/Attendants  | 390                 | 12.9%             | 39                           | 42             | 81       | Short-term on-the-job-training                  |
| Hand Packers & Packagers  | 310                 | 16.0%             | 31                           | 48             | 79       | Short-term on-the-job-training                  |
| Helpers/Laborers/Movers, NEC  | 180                 | 10.6%             | 18                           | 53             | 71       | Short-term on-the-job-training                  |
| Teachers, Elementary School   | 200                 | 9.2%              | 20                           | 50             | 70       | Bachelor's degree                               |
| Janitors & Cleaners   | 120                 | 4.8%              | 12                           | 55             | 67       | Short-term on-the-job-training                  |
| Marketing/Sales Supervisors   | 330                 | 16.0%             | 33                           | 27             | 60       | Work exp. in related occupation                 |
| Laborers, Landscaping/Groundskeep   | 230                 | 19.5%             | 23                           | 35             | 58       | Short-term on-the-job-training                  |
| Bartenders  | -70                 | -4.8%             | -7                           | 62             | 55       | Short-term on-the-job-training                  |
| Admin Support Supervisors   | 240                 | 18.9%             | 24                           | 29             | 53       | Work exp. in related occupation                 |
| Reception/Information Clks  | 250                 | 18.0%             | 25                           | 27             | 52       | Short-term on-the-job-training                  |
| Carpenters  | 130                 | 10.1%             | 14                           | 34             | 48       | Long-term on-the-job training                   |
| Sales Reps, Mfg and Wholesale   | 160                 | 12.2%             | 16                           | 32             | 48       | Moderate-term on-the-job training               |
| Truck Drivers, Light  | 260                 | 17.9%             | 27                           | 21             | 48       | Short-term on-the-job-training                  |
| Cooks, Restaurant   | 150                 | 12.7%             | 15                           | 31             | 46       | Long-term on-the-job training                   |

(1) Separations are an estimate of how many job openings there will be in each occupation due to people permanently leaving an occupation.

Openings that occur due to people changing employers but remaining in the same occupation are not included.

(2) Total openings are an estimate of how many new entrants are needed in the occupation.

(3) Typically required means this is the most common way people are expected to enter the occupation.

Other notes: Self-employed, unpaid family workers and work-study students are not included. Railroad workers are not included, except in WDAs 7 and 8.

Source: WI DWD, Bureau of Workforce Information, 2001

to have the most annual openings in the ten-year projection period. The number of annual openings includes those created as new jobs by employers and those created when workers leave the occupation to start new careers or leave the workforce.

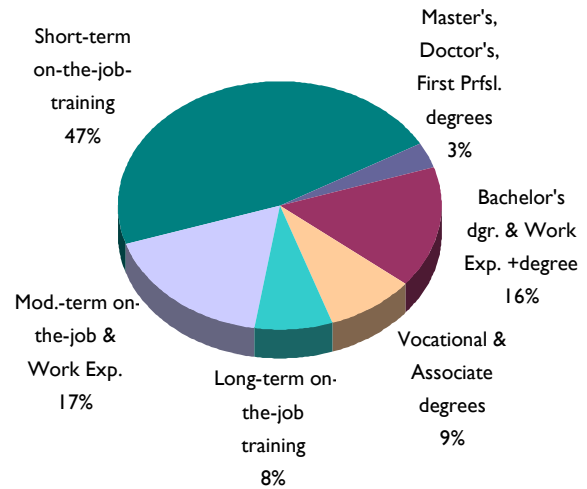
In West Central Wisconsin the professional and technical occupation group, with 21 percent of area jobs, is the largest. It is slightly larger in this region than in the state where only 20 percent of the jobs are in the group. One of the reasons the group is larger in the region is the concentration of post-secondary education facilities. In addition to the jobs with schools, hospitals and government agencies provide many professional and technical job opportunities. But, unlike other metropolitan areas with larger and more numerous corporate offices, professional occupations in the region include fewer administrative and business specialty jobs. Most of the occupations in this group require training beyond high school. Only primary and secondary teachers and registered nurses are on the list, however.

In contrast, the operators, fabricators, and laborers group includes many jobs where a short training program is adequate for most workers. This occupational group is the second largest in the region and also has a greater share of workers than in the state. It includes assemblers, truck drivers, machine operators and packagers. Nearly all of the jobs in this group are with manufacturers, but some, like bus and truck drivers and forklift operators are found in other industries. Only five occupations appear on the list, however, because manufacturing is not increasing as fast as other industries.

Nearly as large is the service occupations group. This group includes the waiters, cooks, food prep. workers and bartenders who are employed in the region's abundant restaurants and bars. Eight occupations from the service group are included on the list of the occupations with the most projected openings. For five of the eight occupations the number of openings from separations greatly exceeds the number generated by growth. While employers have come to expect some post-secondary training for these jobs, most workers are able to function in the jobs with only a short training period.

Even though this list includes only 25 occupations, those occupations represent 37 percent of the job growth and 44 percent of the anticipated need from annual openings in the West Central region and only a few require any post-secondary training. In fact, 47 percent of the job openings projected over the ten-year period require only short-term on the job training (less than 1 month); and, 17 percent require only a moderate training period (1-12 months). However, in recent years many

### Annual Openings in West Central Wisconsin

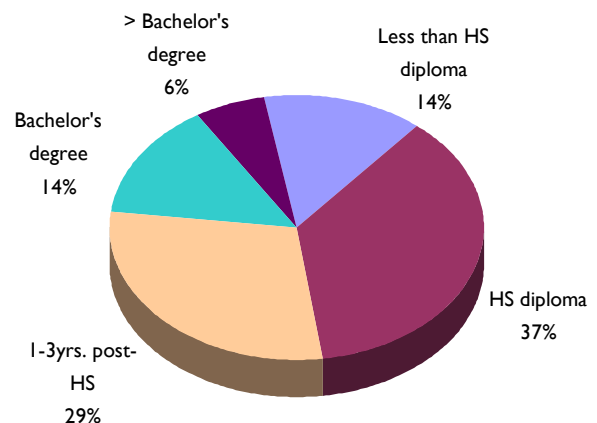


Source: WI DWD, Local Workforce Planning Section, 2001

employers have turned to technical schools to provide both short- and moderate-term training.

According to Census 2000, roughly 37 percent of the population in West Central Wisconsin has only a high school diploma and another 14 percent have less than that. That means that 51 percent of the population has some education beyond high school and of those, only 20 percent have a college degree. That's a tight fit when you consider that 20 percent of the jobs in the region are in professional and technical occupations. It is difficult to compare the existing educational attainment of the population with current, or future, demand because employer requirements are changing for new entrants and the current data reflects a workforce that includes both younger and older participants.

### Education Attainment in 2000 in West Central Wisconsin



Source: US Dept. of Commerce, Census Bureau, Census 2000



## - The Supply of Workers -

### West Central Wisconsin Population

Local employers generate a demand for workers when they create new jobs and fill vacancies. In the last ten years (1991-2001) business expansions created over 43,700. During that same period of time the labor supply in West Central Wisconsin increased by 61,800 participants. It would seem that there should be an excess supply of workers. But there is no excess. In fact, employers were finding it difficult to fill vacancies. One reason is that the region sends roughly 30,000 workers everyday to jobs in other counties and states. Another reason is that some job requirements demand a different set of skills and experience than is available in the current labor supply.

In 2001, the labor force included about 227,000 residents who were either employed or unemployed. In the last three years the number of unemployed increased from a low of 7,000 in 1998 to over 11,000 in 2001. The downturn in the economy is temporary and when it ends the region must deal with a labor supply that is growing older. The capacity for the labor force to expand after this recession and meet the needs of future employer growth is the question on everyone's mind.

The current population not only produces the workers but also the demand for goods and services that require a workforce to produce. Would we need assemblers if

businesses and individuals didn't use personal computers? Would we need an increasing number of health care professionals if the population were younger?

An understanding of the local population, and how it is changing, is crucial to understanding the supply of labor. The total population in West Central Wisconsin in 2000 was 415,206. During the last decade the population increased 12 percent, greater than the state increase of 9.6 percent. Since 2000, the increase in population in the nine-county region has continued to exceed growth in both the state and nation. The current population represents 8.7 percent of Wisconsin's population.

The table below details the total population in each county in the region. (For county specific information on age and labor force refer to individual county profiles available from this site.) It is clear that some counties are adding residents faster than others and most of that growth is from migration. The four counties on the western border, Pepin, Pierce, Polk, and St. Croix, added residents faster than other counties. In each county the population increased as the number of new residents moving to the area far exceeded the increase from natural changes (births over deaths). Over 17,500 residents, more than two-thirds of the migration to the region, moved to these counties during the 1990s. By 2002, the

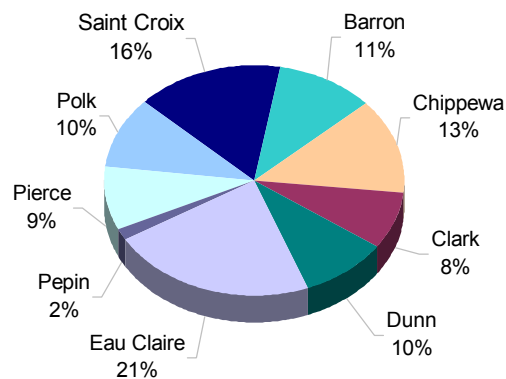
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#### Total Population

|                  | 2000 Census | January 2, 2002 Estimate | Percent change |
|------------------|-------------|--------------------------|----------------|
| United States    | 281,421,906 | 286,200,000              | 1.7%           |
| Wisconsin        | 5,363,675   | 5,453,896                | 1.7%           |
| West Central WDA | 415,206     | 427,669                  | 3.0%           |
| Barron           | 44,963      | 45,633                   | 1.5%           |
| Chippewa         | 55,195      | 56,588                   | 2.5%           |
| Clark            | 33,557      | 33,860                   | 0.9%           |
| Dunn             | 39,858      | 40,828                   | 2.4%           |
| Eau Claire       | 93,142      | 95,132                   | 2.1%           |
| Pepin            | 7,213       | 7,483                    | 3.7%           |
| Pierce           | 36,804      | 37,757                   | 2.6%           |
| Polk             | 41,319      | 42,621                   | 3.2%           |
| Saint Croix      | 63,155      | 67,767                   | 7.3%           |

Source: WI Dept. of Admin., Demographic Services, 2002

#### 2002 Population Distribution in West Central Wisconsin



combined population of the four counties comprised 37 percent of the area's total population.

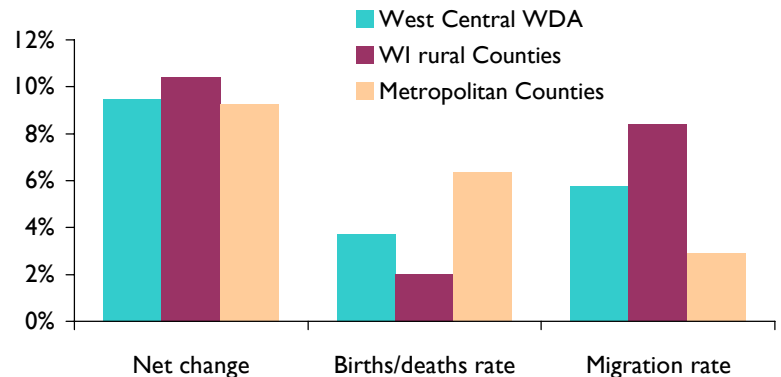
The two metropolitan area counties, Chippewa and Eau Claire, comprise another 34 percent of the region's population. The metropolitan area includes the region's largest and third largest cities, Eau Claire and Chippewa Falls. Roughly half the population of the metropolitan area live in these two cities (many more live in contiguous towns).

The City of Menomonie in Dunn County, with over 15,000 residents, is the second largest city in the region. In the 1990s development along I-94 created strengthened the bond with Chippewa and Eau Claire counties known as the Chippewa Valley. Nearly half the population in the region lives in the Chippewa Valley.

The fourth largest city in the region, Rice Lake, is in Barron County. In the last decade much of the population increase in Barron County was from migration, including a large increase in Hispanic population. Clark County is one of two counties in the region where the increase from natural causes out-numbered the increase from migration. Nearly 30 percent of the population in Clark County is under 18. And some of the towns with the youngest populations in the state are in the county.

The increase in population in the region from natural causes (births over deaths), however, was much less than the increase from people migrating to the region. The migration rate for the region of 5.8 percent exceeded the Wisconsin rate of 4.7 percent because some counties in the region had exceptionally high rates. The migration rate in St. Croix County was 7th highest in the state and

### Components of Population Change in West Central WDA Compared with other rural & metropolitan counties



|                       | Total increase<br>1990-2000 | Increase from<br>Births - Deaths | Increase from<br>Migration |
|-----------------------|-----------------------------|----------------------------------|----------------------------|
| West Central WDA      | 40,326                      | 15,880                           | 24,446                     |
| WI rural Counties     | 162,770                     | 31,627                           | 131,140                    |
| Metropolitan Counties | 309,136                     | 212,060                          | 97,079                     |

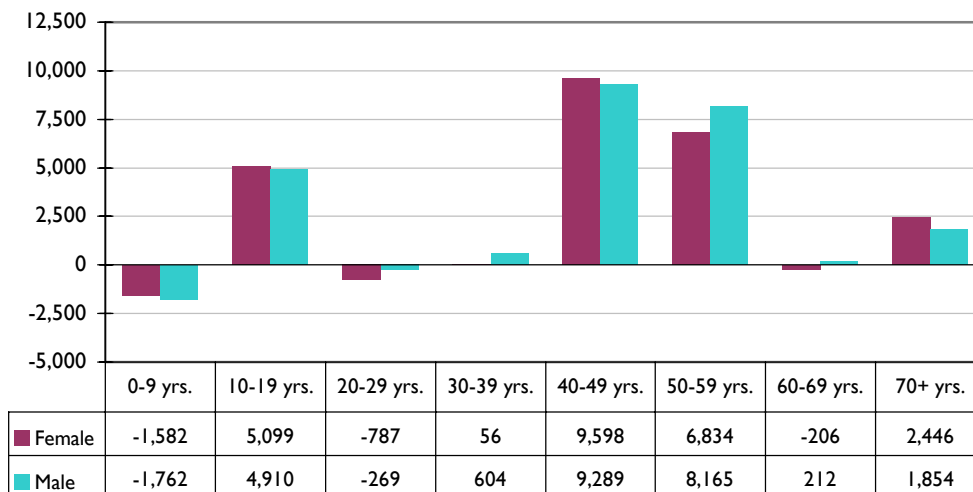
Source: WI Dept. of Administration, Demographic Services, 2001

Polk County was 11th highest. The increase from migration for the rural West Central counties was similar to the experience of other rural counties in the state. But the average increase of 2,460 for each of the metropolitan counties was half the average increase of 4,854 in each of the 20 metropolitan counties.

The increase in population from natural causes was a significant factor in the region, however. From 1990 to 2000, there were 55,000 births in the nine-county region. That is less than the number of births from 1980 to 1990, a decade when the region lost population from migration. The result is that there are 3,344 fewer young residents in the under 10 age group. The reduction is visible in the graph on the left.

The next age group reflects the increase in population from the small boom in births during the 1980s and from the influx of students into the region. This age group, the 10-19 year olds, is important because it includes the new labor force entrants in the immediate future. The younger group provides an indication of the reduction in new entrants expected near the end of the next decade.

### Population Change in 10-year Age Groups by Sex 1990 - 2000 in West Central Wisconsin

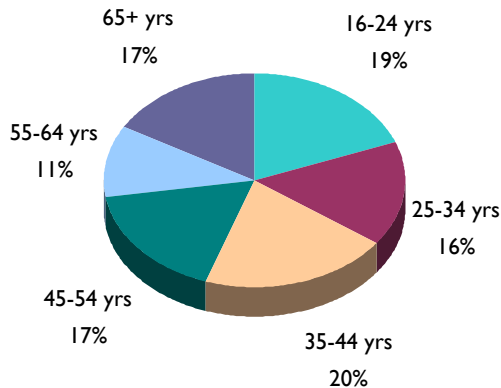


Source: WI Dept. of Admin., Demographic Services, 2002

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### West Central County Labor Force Age Groups



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The decline in 20-29 year olds provides an indication of how many young people leave the area, mostly to attend out-of-area schools. The reduction is relatively small because of the college campuses in the region.

The combined effect of migration and the aging of baby-boomers becomes apparent in the increase in the next two age groups. The magnitude of the increase in these age groups is the reason for concern in West Central Wisconsin. In only nine years (2012) the youngest of those in the 50-59 year old group, which includes 44,865 residents, will be 62.

Currently, 16 percent of the regional population is over the age of 60, slightly higher than in the nation (15%) and state (17%). This share will increase in the next seven years. The implications of this increase are staggering, especially as they effect the labor force.

By definition of the US Bureau of Labor Statistics, the labor force age population includes all residents 16 years old and older that are potentially able to work (it does not include institutional residents or military personnel). The chart above illustrates the distribution of the labor force age population in West Central Wisconsin by age groups. Even though the labor force age population numbers 321,745 residents, roughly 17 percent of that population is 65 years old and over. The large share of elderly effects the supply of labor in two ways.

The first is more obvious because we associate retirement with aging. As retirements increase employers need to find replacements from the younger workforce or decide not to fill the vacancy. So, even though there are 53,875 residents over 65 years old in the labor force age population, few of them participate in the labor force.

On the opposite end of the age spectrum is the 16-24 year old age group that is larger in the region than in the

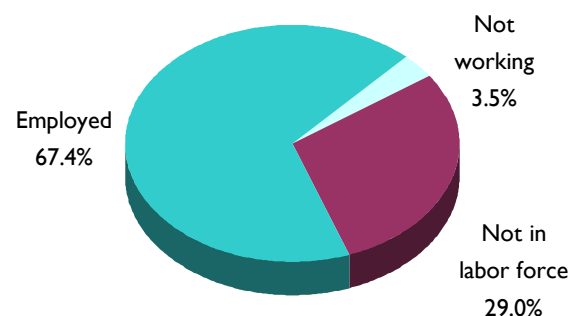
state (16%). It is larger because of the number of students in the area who are not in labor force. Even with a larger share of a younger population, the labor force participation rate in West Central Wisconsin of 70.9 percent is less than the state participation rate of 73.5 percent. It is higher than the national rate of 68.3 percent, however.

The second effect of an older population is that they increase the need for workers who will care for them and help them acquire the 'good-life'. They want improved healthcare, more leisure activities, and fewer household chores. Many of these jobs are filled by younger workers and in the years to come, the number of young residents entering the labor force will be fewer than the number of retirees. In eight years (2010), there will be about 6,000 fewer workers between the ages of 16 and 24.

As the region's young labor force supply is diminished, the first of the baby-boomers will turn 64. Currently, labor force participation in the region from the population 65 years and over is 13.5 percent, similar to the state and nation. Even though the size of the labor force age population may actually increase, the number of those who participate will drop because participation rates of those over 65 are so much lower. There is a trend nationally for retirees to return to the labor force, but participation would have to increase by at least 5 percent to erase the deficit caused by fewer young workers. And, older workers would need incentives to remain in the workforce.

In the last two decades employment growth has relied on an abundant workforce to fill the jobs created by employer expansion. In the next two decades there will be no labor force expansion. There will be fewer young people to work in 'entry-level' jobs. If employer expansion is to occur it will have to be through improved productivity, creative scheduling, and/or accommodations to include an older workforce.

### West Central 2001 Labor Force Participation



Source: WI DWD, Local Workforce Planning Section, 2002